



Substitute Senate Bill No. 1140

Public Act No. 07-164

AN ACT CONCERNING PRIVATE OCCUPATIONAL SCHOOLS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 10a-22v of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

Any student enrolled in a private occupational school authorized in accordance with the provisions of sections 10a-22a to 10a-22o, inclusive, who is unable to complete a course or unit of instruction at such school because of the insolvency or cessation of operation of the school and who has paid tuition for such course or unit of instruction, may make application to the Commissioner of Higher Education for a refund of tuition from the account established pursuant to section 10-22u to the extent that such account exists or has reached the level necessary to pay outstanding approved claims, except that in the case of correspondence and home study schools authorized in accordance with the provisions of sections 10a-22a to 10a-22o, inclusive, only Connecticut residents enrolled in such schools may be eligible for such refund. Upon such application, the commissioner shall determine whether the applicant is unable to complete a course or unit of instruction because of the insolvency or cessation of operation of the school to which tuition has been paid. The commissioner may summon by subpoena any person, records or documents pertinent to the

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making of a determination regarding insolvency or cessation of operation. For the purpose of making any tuition refund pursuant to this section, a school shall be deemed to have ceased operation whenever it has failed to complete a course or unit of instruction for which the student has paid a tuition fee and, as a result, the school's authorization has been revoked pursuant to section 10a-22f. If the commissioner finds that the applicant is entitled to a refund of tuition because of the insolvency or cessation of operation of the school, the commissioner shall determine the amount of an appropriate refund which shall be equal to or a portion of the tuition paid for the uncompleted course or unit of instruction. Thereafter the Commissioner of Higher Education shall direct the State Treasurer to pay, per order of the Comptroller, the refund to the applicant or persons, agencies or organizations indicated by the applicant who have paid tuition on the student's behalf. If the student is a minor, payment shall be made to the student's parent, parents or legal guardian. Each recipient of a tuition refund made in accordance with the provisions of this section shall assign all rights to the state of any action against the school or its owner or owners for tuition amounts reimbursed pursuant to this section. Upon such assignment, the state may take appropriate action against the school or its owner or owners in order to reimburse the student protection account for any expenses or claims that are paid from the account and to reimburse the state for the reasonable and necessary expenses in undertaking such action. Any student who falsifies information on an application for tuition reimbursement shall lose his or her right to any refund from the account.

Sec. 2. Subsection (c) of section 10a-22b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(c) Each person, board, association, partnership, corporation, limited

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liability company or other entity which seeks to offer occupational instruction shall submit to the commissioner, or the commissioner's designee, in such manner as the commissioner, or the commissioner's designee, [shall prescribe] prescribes, an application for a certificate of authorization which includes, but need not be limited to, (1) the proposed name of the school; (2) ownership and organization of the school including the names and addresses of all principals, officers, members and directors; (3) names and addresses of all stockholders of the school, except for applicants which are listed on a national securities exchange; (4) addresses of any building or premises on which the school will be located; (5) description of the occupational instruction to be offered; (6) the proposed student enrollment agreement, which includes for each program of occupational instruction offered a description, in plain language, of any requirements for employment in such occupation or barriers to such employment pursuant to state law or regulations; (7) the proposed school catalog, which includes for each program of occupational instruction offered a description of any requirements for employment in such occupation or barriers to such employment pursuant to state law or regulations; (8) financial statements detailing the financial condition of the school prepared by management and reviewed or audited by an independent licensed certified public accountant or independent licensed public accountant; and (9) an agent for service of process. Submitted with an application for initial authorization shall be a nonrefundable application fee in the amount of two thousand dollars made payable to the private occupational school student protection account.

Approved June 19, 2007